

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF PURCHASED GAS)	
ADJUSTMENT FILING OF BELFRY)	CASE NO. 7341-PF
GAS, INC.)	

O R D E R

On July 19, 1979, the Commission issued its Order in Case No. 7341 approving certain adjustments in rates and providing under certain conditions for the further adjustment of such rates when the wholesale cost of gas is increased or decreased or a refund is received.

On July 11, 1988, Belfry Gas, Inc. ("Belfry"), notified the Commission that its wholesale cost of gas would be decreased by its supplier, Columbia Gas Transmission Corporation ("Transmission"), effective August 1, 1988, and submitted with its notice certain information in compliance with its purchased gas adjustment ("PGA") clause on file with this Commission.

After reviewing the record in this case and being advised, the Commission is of the opinion and finds that:

(1) Belfry's notice of July 11, 1988 set out certain revisions in rates which Belfry proposed to place into effect, said rates being designed to pass on the overall wholesale decrease in gas cost from its supplier in the amount of \$26,617 or 31 cents per Mcf. Belfry had actually applied for a decrease of

34 cents because it had incorrectly added 5 percent line loss to its decrease instead of subtracting it.

(2) Transmission applied with the Federal Energy Regulatory Commission for revised rates to become effective August 1, 1988.

(3) Belfry's corrected adjustment in rates under the purchased gas adjustment provisions approved by the Commission in its Order in Case No. 7341, dated July 19, 1979, is fair, just, and reasonable and in the public interest and should be effective with gas supplied on and after August 1, 1988.

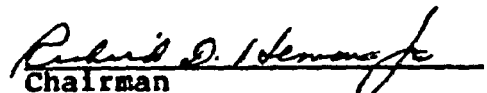
IT IS THEREFORE ORDERED that:

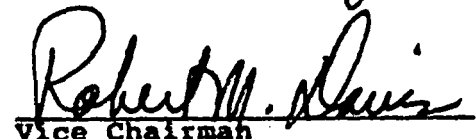
(1) The corrected rates in the Appendix to this Order be and they hereby are authorized effective with gas supplied on and after August 1, 1988.

(2) Within 30 days of the date of this Order Belfry shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 22nd day of July, 1988.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 7341-FF DATED 7/22/88

The following rates and charges are prescribed for the customers in the area served by Belfry Gas, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

RATES: Monthly

First 1,000 cu. ft.	\$7.20 Minimum Bill
Over 1,000 cu. ft.	4.69 per 1,000 cu. ft.

The base rate for the future application of the purchased gas adjustment clause of Belfry Gas, Inc., shall be:

	<u>Commodity</u>
Columbia Gas Transmission Corporation	\$3.4101 per Mcf